

Evaluation by External Parties

Inclusion in SRI Indices

Selected as a Constituent of the FTSE4Good Index Series for the 15th Consecutive Year

Seiko Epson was selected by FTSE Russell, a part of the London Stock Exchange Group, as a constituent of one of the Responsible Investment (RI) indexes in the FTSE4Good Index series for the 15th consecutive year. (June 2019)

 FTSE4Good Index Series

<https://www.ftse.com/products/indices/FTSE4Good>



FTSE4Good

Selected as a Constituent of the FTSE Blossom Japan Index for the Third Consecutive Year

Seiko Epson was selected for inclusion in the FTSE Blossom Japan index for the third consecutive year. This index is one of the ESG indexes selected by the Government Pension Investment Fund (GPIF) in July 2017. (June 2019)



FTSE Blossom
Japan

Selected as a Constituent of the Empowering Women Index (WIN) for the Third Consecutive Year

Seiko Epson was selected for inclusion in the MSCI Japan Empowering Women Index (WIN) for the third consecutive year. WIN is one of the ESG indexes selected by the Government Pension Investment Fund (GPIF) in July 2017. (June 2019)

MSCI 

MSCI Japan Empower
Women Index (WIN)

Selected as a Constituent of the SNAM Sustainability Index for the 8th Consecutive Year

Seiko Epson was selected by SOMPO JAPAN Nippon Asset Management (SOMPO JAPAN), as a constituent of one of the SNAM Sustainability Index for the 8th consecutive year.

The SNAM Sustainability index is used in SRI (socially responsible investment) fund for pension funds or institutional investors to invest widely in companies with the high ESG (environment, society, governance) evaluation ratings. (June 2019)



Member of SNAM
Sustainability Index
2019

Selected as a Constituent Nadeshiko Brand for the Second Consecutive Year

The Ministry of Economy, Trade, and Industry is working in collaboration with the Tokyo Stock Exchange to identify “Nadeshiko Brands”- companies that encourage the advancement of women. Seiko Epson was selected to the list in FY2018 for the second consecutive year. (March 2019)



Recognition

Recognized for Health Management Excellence for Second Consecutive Year

Seiko Epson was recognized for the second consecutive year under the Certified Health and Productivity Management Organization Recognition Program (White 500), in the large enterprise category. The program, which is jointly administered by the Japanese Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi, honors enterprises who work with insurers to promote good health and productivity. (February 2019)



SBTi Approved Epson's GHG Reduction Targets

Science Based Targets initiative (SBTi) has approved Epson's global greenhouse gas (GHG) reduction targets. SBTi recognized Epson's targets as being science-based and in line with keeping a global temperature rise this century to well below 2 degrees Celsius, a central aim of the Paris Agreement. (November 2018)



Received EcoVadis Gold Rating for Overall Sustainability for Second Consecutive Year

Epson has been awarded a Gold rating for overall sustainability by independent platform EcoVadis for the second consecutive year. The top rating reflects Epson's commitment to achieving the highest possible international CSR standards. It also acknowledges Epson as being outstanding in both the Environment and Sustainable Procurement categories and highlights its excellence in Labor, Human Rights and Ethics. (November 2018)



Earned the Highest (Grade 3) Eruboshi

In 2016, the Japanese Minister of Health, Labour and Welfare granted Seiko Epson the top "Eruboshi" mark in recognition of its efforts to promote the active participation and advancement of women in the workplace. (July 2016)



Earned Platinum Kurumin Certification

As a result of Epson's efforts to establish a friendly workplace environment, we were awarded use of the so-called Kurumin symbol from 2007 and the Platinum Kurumin symbol in 2016. Use of these symbols is awarded by the Japanese Minister of Health, Labour and Welfare to companies that implement policies that support employees who are raising families, in accordance with the Act on Measures to Support the Development of the Next Generation. (May 2016)



Award

Recognized for Excellence in Energy Efficiency and Conservation

Seiko Epson has been awarded the Agency for Natural Resources and Energy Director-General's Award for Epson's LX-10000F series and LX-7000F series of high-speed linehead inkjet multifunction printers sold in Japan. This award, which was part of the FY2018 Grand Prize for Excellence in Energy Efficiency and Conservation awards program, was sponsored by the Energy Conservation Center, Japan, with support from the Japanese Ministry of Economy, Trade and Industry. (January 2019)



FY2018 Grand Prize for Excellence in Energy Efficiency and Conservation (Product Category & Business Model Category)
Sponsor: The Energy Conservation Center, Japan

Received the 1st EcoPro Award (METI Minister Award)

Epson's PaperLab A-8000 dry-process office papermaking system has been awarded the 1st EcoPro Award (Economy, Trade and Industry Minister's Prize) by Japan Environment Management Association for Industry. (September 2018)



EcoPro Awards

Received PEZA Outstanding Environmental Performance Award

Epson Precision (Philippines), Inc. received its 3rd PEZA¹ Outstanding Environmental Performance award. This award recognizes the efforts of companies for sustained compliance and innovative systems for the period of 3 years (2016-2018) as they strive for continuous improvement in environmental management. (May 2019)

¹ Philippine Economic Zone Authority (PEZA)

Received the Blue PROPER Rating

PT. Indonesia Epson Industry, which is the one of Epson's manufacturing plants in Indonesia, received the Blue PROPER rating from the Ministry of Environment and Forestry, Indonesia. (2018)

ESG Data

Environment

Global Environmental Data

Energy

- Use of energy

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan	Gas/oil	MWh	307,238	306,088	318,002	330,257	332,795
	Electricity/steam	MWh	438,809	431,430	448,513	467,629	357,552
Overseas	Gas/oil	MWh	23,707	14,970	16,044	19,592	14,450
	Electricity/steam	MWh	322,648	321,491	331,305	341,322	341,566
Total		MWh	1,092,401	1,073,979	1,113,864	1,158,800	1,046,364
Per unit of business profit (include renewable energy)		GWh/100 million yen	1.1	1.3	1.7	1.6	1.7

* Totals do not add up in some cases due to rounding off of fractions.

- Use of renewable energy

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan		MWh	89	102	168	257	118,504
Overseas		MWh	6,937	5,756	5,777	9,215	18,901

Greenhouse gas (GHG)

- Greenhouse gas emission (scopes 1, 2)

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Scope 1		t-CO ₂ e	116,061	116,826	132,885	136,734	127,737
	Japan	t-CO ₂ e	105,992	101,296	115,972	122,479	108,210
	Overseas	t-CO ₂ e	10,069	15,530	16,913	14,255	19,527
Scope 2		t-CO ₂ e	441,331	426,797	438,555	455,110	374,347
	Japan	t-CO ₂ e	241,540	231,073	235,726	246,022	185,520
	Overseas	t-CO ₂ e	199,791	195,724	202,829	209,088	188,827
Total		t-CO ₂ e	557,391	543,623	571,440	591,844	502,084
Per unit of business profit		thousand t/100 million yen	0.55	0.64	0.87	0.79	0.71
FY2025 target (science-based): reduce 19% total emissions from FY2017							-15%

Scope 1: Direct GHG emissions (LPG, LNG, natural gas, kerosene, heavy fuel oil, gasoline, PFCs, etc.)

Scope 2: Indirect GHG emissions (electricity and steam, etc.)

* Totals do not add up in some cases due to rounding off of fractions.

* CO₂ conversion factor of greenhouse gas emissions (June 2019 updated)

- Electric power: In Japan, we use the adjusted emissions factors for the load serving entities (i.e., utilities) from which our sites purchase electricity, pursuant to Load Serving Entity Emission Factors—FY2017 Actual Performance, announced by the Ministry of Environment and the Ministry of Economy, Trade and Industry (Dec. 27, 2018).
Overseas, we use the country emission factors listed in IEA (International Energy Agency) - CO₂ emissions from Fuel combustion 2018 edition or from the load serving entities from which our sites purchase electricity.
- Fuel: The factors announced by the IPCC in 2006 were used for both domestic and overseas data.
- GHGs other than CO₂: Equivalent values were calculated based on 100-year GWP values in the Fifth Assessment Report of the IPCC.

- Greenhouse gas emission (scope 3)

		Unit	FY2018	Calculation method
Scope 3		thousand t-CO ₂ e	3,263	
Category 1	Purchased goods and services ¹	thousand t-CO ₂ e	1,141	Multiplied the mass of materials that comprise sold products by their emission factors
Category 2	Capital goods	thousand t-CO ₂ e	248	Multiplied the capital expenditure in each investment account by emission factors
Category 3	Fuel- and energy-related activities not included in scope 1 or scope 2	thousand t-CO ₂ e	36	Multiplied the amount of each type of energy used at each site by their emission factors
Category 4	Upstream transportation and distribution	thousand t-CO ₂ e	201	Emissions from transportation to Epson of products and services purchased from suppliers, and emissions from the transport of goods by Epson, were calculated by multiplying the mass of transported goods and the distance transported by emissions factors

		Unit	FY2018	Calculation method
Category 5	Waste generated in operations	thousand t-CO ₂ e	5	Multiplied the amount of each type of waste generated at each site by their emission factors
Category 6	Business travel	thousand t-CO ₂ e	19	Multiplied the transportation expenses for each transportation mode and lodging expenses by their emission factors
Category 7	Employee commuting	thousand t-CO ₂ e	35	Multiplied the transportation expenses for each transportation mode by their emission factors
Category 8	Upstream leased assets	thousand t-CO ₂ e	5	For emissions from the operation of leased assets (excluding those not already included in scope 1 or scope 2 inventories), the floor area of leased buildings was multiplied by emission factors
Category 9	Downstream transportation and distribution	thousand t-CO ₂ e	7	Multiplied the sold product not shipped by Epson and the average distances of transported volumes by their emission factors per unit
Category 10	Processing of sold products	thousand t-CO ₂ e	68	Multiplied the electricity consumed in the processing of intermediate products into finished products by emission factors
Category 11	Use of sold products ^{*1}	thousand t-CO ₂ e	1,413	Multiplied the estimated electricity consumption over the lifetime of sold products by an emission factor
Category 12	End-of-life treatment of sold products	thousand t-CO ₂ e	85	Multiplied the mass of each type of waste treated by the emission factor for each type of waste treatment
Category 13	Downstream leased assets	thousand t-CO ₂ e	-	Not applicable
Category 14	Franchises	thousand t-CO ₂ e	-	Not applicable
Category 15	Investments	thousand t-CO ₂ e	-	Not applicable
FY2025 target (science-based): reduce 44% per unit of business profit from FY2017 (categories 1 and 11)			+6.5%	

Scope 3: Indirect GHG emissions of the entire value chain

*1 Data verified by a third party

Third-party verification of greenhouse gas (GHG) emissions

We have a third party verify our calculations to ensure reliability. Our FY2018 GHG emissions (scopes 1, 2 and 3) and energy use data were verified as having been measured and calculated accurately, and a greenhouse gas emissions verification report was obtained.

Third-party verification report
https://global.epson.com/SR/esg_data/pdf/verification_report.pdf



Chemical substance

- PRTR¹ substance emissions

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan	t	1.7	1.4	1.5	1.7	1.7
Overseas	t	5.2	5.2	7.3	4.1	1.6
Total	t	6.9	6.6	8.8	5.7	3.3
Per unit of business profit	kg/100 million yen	6.8	7.8	13.4	7.7	4.6
Target: amount of emissions previous year or less						-43%

* Totals do not add up in some cases due to rounding off of fractions.

¹ Pollutant Release and Transfer Register.

- VOC² emissions

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan	t	80	74	80	86	85
Overseas	t	104	118	117	99	83
Total	t	184	192	197	184	168
Per unit of business profit	t/100 million yen	0.18	0.23	0.30	0.25	0.24
Target: amount of emissions previous year or less						-8.8%

² Volatile Organic Compounds

Industrial waste

- Industrial waste emissions

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan	Waste generated	thousand t	14.1	12.8	13.8	14.3	15.4
	Recycled	thousand t	13.6	12.4	13.4	13.9	14.8
	Waste (disposed of)	thousand t	0.5	0.4	0.4	0.4	0.6
	Landfilled	thousand t	0.6	0.5	0.4	0.4	0.6
Overseas	Waste generated	thousand t	16.2	15.3	17.0	20.2	18.6
	Recycled	thousand t	14.3	13.1	14.2	17.3	15.6
	Waste (disposed of)	thousand t	1.9	2.2	2.7	2.9	3.0
	Landfilled	thousand t	0.8	1.7	2.4	2.5	2.3
Total waste generated		thousand t	30.3	28.1	30.7	34.4	34.0
Per unit of business profit		t/100 million yen	30	33	47	46	48
Target: amount of emissions (waste generated) previous year or less						-1.4%	

* Totals do not add up in some cases due to rounding off of fractions.

Water

- Water withdrawal

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan	Municipal water	thousand m ³	4,659	4,611	4,814	5,016	4,990
	Ground water	thousand m ³	622	757	685	742	773
	(Returned water to the source)	thousand m ³	(211)	(376)	(315)	(419)	(465)
	Subtotal	thousand m ³	5,281	5,368	5,499	5,758	5,763
Overseas	Municipal water	thousand m ³	2,296	2,349	2,408	2,566	2,588
	Ground water	thousand m ³	0	0	0	0	0
	(Returned water to the source)	thousand m ³	(0)	(0)	(0)	(0)	(0)
	Subtotal	thousand m ³	2,296	2,349	2,408	2,566	2,588
Total		thousand m ³	7,577	7,717	7,906	8,324	8,351
Recycled water		thousand m ³	1,441	1,344	1,504	1,526	1,548
Recycled ratio		%	19	17	19	18	19
Per unit of business profit		thousand m ³ /100 million yen	7.5	9.1	12.0	11.1	11.9
Target: amount of usage (water withdrawal) previous year or less							+0.3%

* Industrial water is included in municipal water.

- Discharge

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Japan	Sewerage	thousand m ³	1,951	2,056	2,111	2,348	2,082
	Rivers	thousand m ³	2,942	2,898	3,013	2,899	3,012
	Subtotal	thousand m ³	4,893	4,954	5,125	5,247	5,095
Overseas	Sewerage	thousand m ³	2,175	2,049	2,096	2,285	2,361
	Rivers	thousand m ³	0	0	0	0	0
	Subtotal	thousand m ³	2,175	2,049	2,096	2,285	2,361
Total		thousand m ³	7,069	7,003	7,221	7,532	7,455

* Totals do not add up in some cases due to rounding off of fractions.

ISO 14001 Certification List

- Japan: Development divisions/Operations divisions/Group companies

Region	Certified sites
Japan	Seiko Epson Corporation Production Planning Division Technology Development Division Visual Products Operations Division Microdevices Operations Division Robotics Solutions Operations Division
	Tohoku Epson Corporation Akita Epson Corporation Miyazaki Epson Corporation Epson Direct Corporation Epson Logistics Corporation Epson Swan Corporation
	Seiko Epson Corporation Printing Solutions Operations Division
	Epson Atmix Corporation

- Overseas: Regional headquarters/Sales/Service subsidiaries and affiliates

Region	Certified sites
Asia/Oceania	Epson (China) Co., Ltd.
	Epson Singapore Pte. Ltd.
	Seiko Epson Corporation, Hong Kong Office
	Epson Taiwan Technology & Trading Ltd.
	Epson Australia Pty. Ltd.
Europe	Epson Europe B.V.
	Epson Deutschland GmbH
	Epson Europe Electronics GmbH
	Epson France S.A.
	Epson Italia S.p.A.
	Epson Iberica S.A.U.
	Epson Iberica S.A.U., Portugal Office
	Epson (U.K.) Ltd.
	Epson Deutschland GmbH, Switzerland Office
	Epson Deutschland GmbH, Austria Office
Americas	Epson America, Inc. (Long Beach Sales & Headquarter Office)
	Epson America, Inc. (Indianapolis Warehouse)
	Epson America, Inc. (Carson Warehouse)

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- Overseas: Manufacturing industry

Region	Certified sites
Asia/Oceania	Tianjin Epson Co., Ltd.
	Epson Precision Suzhou Co., Ltd.
	Epson Engineering (Shenzhen) Ltd.
	Epson Precision (Philippines) Inc.
	Epson Precision (Johor) Sdn. Bhd.
	Singapore Epson Industrial Pte. Ltd.
	PT. Epson Batam
	PT. Indonesia Epson Industry
	Epson Precision Malaysia Sdn. Bhd.
	Epson Precision (Thailand) Ltd.
	Epson Wuxi Co., Ltd.
	Epson Precision (Shenzhen) Ltd.
Europe	Epson Telford Ltd.
Americas	Epson Portland Inc.

Product Recycling

- Collection

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Finished products ^{*1}	thousand t	18.2	14.4	13.2	23.0	19.2
Cartridges	thousand t	2.4	2.0	2.0	1.7	1.8

^{*1} Collected either voluntarily or as mandated by local law. Sum of amount actually collected and amount expected to be collected.

Education

- Environmental education (Japan)

Training		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Basic environmental training II ^{*1}	Participants	Persons	13,896	16,513	16,552	16,991	17,379
	Certification recipients	Persons	1,999	1,956	1,944	697	869
ISO 14001 environmental auditor training ^{*2}	Participants	Persons	50	0	26	444	182

^{*} Figures of Certification Recipients show the number of certified persons as of the end of fiscal year.

^{*1} This is the number of persons who took Basic Environmental Training II during the period it was offered.

^{*2} Started using ISO14001: 2015 from FY2017.

Social

HR Development

- Main online courses (Japan)

Course	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Fundamentals of security export control	Persons	12,648	14,406	14,487	14,092	16,072
Import/Export control	Persons	12,102	13,985	14,342	13,968	15,986
Epson's compliance (code of conduct etc.)	Persons	17,347	16,828	18,125	18,821	18,331
Basic information security	Persons	18,238	18,786	18,519	18,658	19,924
Basic environmental training II	Persons	13,896	16,513	16,552	16,991	17,379
Introduction to procurement (Subcontract Act.)	Persons	12,102	-	16,302	-	16,801
Introduction to procurement (Ethics and code of conduct)	Persons	-	14,759	-	15,302	-
J-SOX	Persons	14,673	15,645	17,371	17,770	18,497

* The number of person completing the course by March 31 of that year

- Training by employee level

Training	Who	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
New employee orientation	New hires	Persons	186	256	293	293	298
		%	100	100	100	100	100
C-level employee training	New C-level staff	Persons	228	133	191	236	182
		%	96.6	91.7	95	93.4	96.3
Senior staff training	New senior staff	Persons	160	186	293	266	247
		%	96.4	96.3	95.8	93.3	91.1
Section manager training	New section manager	Persons	98	100	174	138	130
		%	97	98	95.6	97.2	93.5
General manager training	New general manager	Persons	-	-	28	33	31
		%	-	-	96.6	92.7	86.9

* The number of person completing the course by March 31 of that year (Seiko Epson Corporation)

- Quality control training (Japan)

Course	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
QC introduction	People trained	193	247	314	414	457
	% trained	92	92	90	90	91
QC-ABC	People trained	197	175	257	266	194
	% trained	82	82	79	80	76

- Licensed quality control training trainers

Region		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Southeast Asia	Number of production sites with licensed trainers	Companies	7	7	7	7	7
	Licensed trainers	Persons	231	260	119	89	97
China	Number of production sites with licensed trainers	Companies	8	8	8	8	7
	Licensed trainers	Persons	78	78	79	71	79

* Number of licensed trainers as of March 31 of that year

Promotion of Diversity

- Employees with disabilities (Japan)

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Number of employees	Persons	249	253	272	284	295
Employment ratio	%	2.24	2.27	2.43	2.48	2.55
Target: Employment ratio of disable employees by FY2020 (%)						2.5

* Figures for fiscal year as of Jun 1 of that year

- Workforce composition

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Female/Male ratio	Female	%	17	17	17	16	16
	Male	%	83	83	83	84	84
Management diversity ¹	Female	%	2	2	2	3	2
	Male	%	98	98	98	97	98
Target: Female management position ratio by FY2022 (%)							5
Junior management diversity ²	Female	%	-	6	6	6	6
	Male	%	-	94	94	94	94
Target: Female junior management position ratio by FY2022 (%)							7

* Data for Seiko Epson Corporation employees as of March 20 of that year

¹ Section managers and higher

² Team leader

- Employees by age group

Age	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Less than 20	Persons	-	-	-	41	49
20-29	Persons	-	-	-	1,319	1,533
30-39	Persons	-	-	-	2,357	2,208
40-49	Persons	-	-	-	3,804	3,714
50-59	Persons	-	-	-	3,637	3,724
60-69	Persons	-	-	-	1	0
70 and over	Persons	-	-	-	0	0

* Data for Seiko Epson Corporation regular employees as of March 31 of that year

- Employees by age and by gender (Global)

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Less than 20	Female	%	-	-	-	2.0	2.4
	Male	%	-	-	-	1.3	1.0
	S. Total	%	-	-	-	3.3	3.4
20-29	Female	%	-	-	-	20.9	20.4
	Male	%	-	-	-	18.5	18.2
	S. Total	%	-	-	-	39.4	38.6
30-39	Female	%	-	-	-	12.1	12.0
	Male	%	-	-	-	13.2	13.5
	S. Total	%	-	-	-	25.3	25.5
40-49	Female	%	-	-	-	7.2	7.7
	Male	%	-	-	-	12.9	12.7
	S. Total	%	-	-	-	20.1	20.4
50-59	Female	%	-	-	-	2.6	2.6
	Male	%	-	-	-	8.7	8.9
	S. Total	%	-	-	-	11.3	11.5
60 and over	Female	%	-	-	-	0.2	0.2
	Male	%	-	-	-	0.4	0.4
	S. Total	%	-	-	-	0.6	0.6
Total	Female	%	-	-	-	45.0	45.3
	Male	%	-	-	-	55.0	54.7
	G. Total	%	-	-	-	100.0	100.0

* Data for all Epson group companies regular employees as of March 31 of that year

- Length of employment

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Total	Years	-	19.4	19.4	19.5	19.4
Female	Years	20.7	22.2	22.2	22.1	21.5
Male	Years	18.3	18.9	18.9	19.0	18.9

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Average age

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Total	Years old	-	43.6	43.7	43.8	43.6
Female	Years old	-	44.1	44.3	44.4	43.9
Male	Years old	-	43.4	43.6	43.7	43.6

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Turnover rate

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Total turnover rate	%	-	3.2	3.6	3.6	4.5
Voluntary turnover rate	%	-	1.6	1.6	1.5	1.8

* Data for Seiko Epson Corporation and Japanese affiliated companies as of March 20 of that year (Including retired worker)

Fostering a Better Workplace

- Workforce composition by employment type and by gender (Global)

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Full-time employment	Female	%	-	-	-	34.6	36.1
	Male	%	-	-	-	41.7	43.0
	S. Total	%	-	-	-	76.3	79.1
Part-time employment	Female	%	-	-	-	0.2	0.2
	Male	%	-	-	-	0.0	0.0
	S. Total	%	-	-	-	0.2	0.2
Contract	Female	%	-	-	-	11.4	10.6
	Male	%	-	-	-	4.9	5.2
	S. Total	%	-	-	-	16.3	15.8
Temporary	Female	%	-	-	-	2.7	2.1
	Male	%	-	-	-	4.6	2.8
	S. Total	%	-	-	-	7.3	4.9
Total	Female	%	-	-	-	48.8	49.0
	Male	%	-	-	-	51.2	51.0
	G. Total	%	-	-	-	100.0	100.0

* Data for all Epson group companies as of March 31 of that year

- Composition of all managerial positions by gender (Global)

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Junior management positions	Female	%	-	-	-	18.6	18.8
	Male	%	-	-	-	81.4	81.2
	S. Total	%	-	-	-	100.0	100.0
Top management positions	Female	%	-	-	-	14.9	13.4
	Male	%	-	-	-	85.1	86.6
	S. Total	%	-	-	-	100.0	100.0
Total	Female	%	-	-	-	16.3	16.2
	Male	%	-	-	-	83.7	83.8
	G. Total	%	-	-	-	100.0	100.0

* Data for all Epson group companies as of March 31 of that year

- Composition of managerial positions in revenue-generating functions by gender (Global)

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Management positions in revenue-generating functions	Female	%	-	-	-	14.8	14.7
	Male	%	-	-	-	85.2	85.3
	S. Total	%	-	-	-	100.0	100.0
Management positions in non-revenue generating functions	Female	%	-	-	-	23.7	24.5
	Male	%	-	-	-	76.3	75.5
	S. Total	%	-	-	-	100.0	100.0
Total	Female	%	-	-	-	16.3	16.2
	Male	%	-	-	-	83.7	83.8
	G. Total	%	-	-	-	100.0	100.0

* Data for all Epson group companies as of March 31 of that year

- Annual total working hours per employee

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Total working hours	Hours	-	-	2,001	1,971	1,943
Target: Total working hours by FY2019 (Hours)						1,900

* Data for Seiko Epson Corporation employees as of March 31 of that year

- Paid leave

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Number of paid leave used	Days	-	-	12.6	14.0	13.9
	Target: Days of taking paid leave in FY2019 (Days)					15.0
	%	-	-	63.0	70.0	69.5
Target: % of taking paid leave in FY2019 (%)						75.0

* Data for Seiko Epson Corporation employees as of March 31 of that year

- Childcare leave trends

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Childcare leave	Total	Persons	67	52	60	64	75
	Female	Persons	49	40	42	44	95
	Ratio of female granted leave* ¹	%	100	98	100	98	100
	Male	Persons	18	12	18	20	40
Employees using parental reduced hours		Persons	-	-	-	170	160

* Data for Seiko Epson Corporation employees as of March 20 of that year

*¹ Number of individuals childcare leave/eligible individuals

- Caregiver leave trends

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Care giver Leave		Persons	4	6	2	2	2
Employee using caregiver reduced hours		Persons	-	-	-	2	5

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Result of employee survey

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Participation ratio		%	-	-	-	95.1	96.7
% of engaged employees		%	87.1	90.7	89.9	92.1	92.2

* Data for Seiko Epson Corporation employees

- Labor Union membership

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Ratio of Union membership		%	-	-	-	85.5	85.8

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Collective bargaining agreements

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Employees covered by collective bargaining agreements		%	-	-	-	-	69.1

* Data for Epson overseas subsidiaries employees as of March 31 of that year

- Employee coverage of the individual performance appraisals by MBO (Management by Objectives)

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Performance appraisals by MBO	Female	%	-	-	-	-	47.8
	Male	%	-	-	-	-	31.0
	Total	%	-	-	-	-	44.9

* Data for Epson overseas subsidiaries employees as of March 31 of that year

Minimum Wage

- Ratios of standard entry level wage by gender compared to local minimum wage

	Unit	Amount	Local min. wage	% to local min. wage
Epson Precision (Philippines), Inc. Philippine Peso (as of March 2019 by the day)	Femail	373	373	100%
	Male	373	373	100%
	Average	373	373	100%
Epson Engineering (Shenzhen) Ltd. Chinese Yuan (as of March 2019 by the month)	Femail	2,600	2,300	113%
	Male	2,600	2,300	113%
	Average	2,600	2,300	113%
PT. Indonesia Epson Industry Indonesian Rupiah (as of January 2019 by the month)	Femail	5,867,171	4,632,985	127%
	Male	5,867,171	4,632,985	127%
	Average	5,867,171	4,632,985	127%

Occupational Safety and Health

- Occupational injury accident frequency

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Occupational accident rate	-	0.14	0.13	0.09	0.12	0.07

* The number of injury accidents per million work hours, where an injury accident is an incident that causes a worker to miss one or more days of work

- Occupational injury accident seriousness

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Injuries severity rate	-	0.002	0.002	0.002	0.003	0.005

* The number of injury accidents per 1000 work hours, where an injury accident is an incident that causes a worker to miss one or more days of work

Supply Chain Management

- Supplier conference for CSR

Area		Unit	FY2016	FY2017	FY2018
Japan	Number of companies	Companies	489	237	447
China	Number of companies	Companies	135	113	222
Philippines	Number of companies	Companies	-	-	70
Indonesia	Number of companies	Companies	-	103	168
Others	Number of companies	Companies	-	-	225
Total	Number of companies	Companies	624	453	1,132
Rate of attendance ¹	Japan	%	76	92	67

¹ Number of attendance per invited suppliers

- CSR evaluation

Evaluation		Unit	FY2015	FY2016	FY2017	FY2018
Direct evaluation (Annual evaluation)	Number of accounts	Accounts	1,266	1,422	1,413	1,481
	Ratio of evaluation suppliers	%	100	100	100	100
Detailed evaluation* ¹ Direct suppliers (Production material)	Number of companies	Companies	-	274	-	347
	Ratio of high risk rank	%	-	8	-	5
Detailed evaluation* ¹ Indirect suppliers (Non-production material)	Number of companies	Companies	-	-	66	-
	Ratio of high risk rank	%	-	-	9	-
Evaluation of emergency response capabilities (BCP self assessment questionnaire)	Number of companies	Companies	320	436	319 ²	250
	Target achievement rate	%	-	95	154	91
Safety management evaluation (BCP self assessment questionnaire)	Number of companies	Companies	422	357	1,353 ²	481
	Target achievement rate	%	-	92	141	93

* Including 2nd tier supplier

¹ Each attribute evaluation is executed at the every other year.

² In FY2017, as a special action, self-assessment was conducted by Tier 1 and non-Tier 1 suppliers.

Conflict Minerals

- Conflict minerals survey

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Survey sheet recovery rate	%	96	99	95	94	92
Number of identified smelters	-	243	298	314	312	314
Number of CFS ¹ -certified smelters	-	144	211	243	249	256
CFS as a % of identified smelters	%	59	71	77	80	82

¹ Conflict-free smelter

- Each mineral data

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Gold	Number of identified smelters	-	104	126	138	146	150
	Number of CFS-certified smelters	-	63	78	94	100	102
	CFS as a % of identified smelters	%	61	62	68	68	68
Tantalum	Number of identified smelters	-	40	47	48	41	40
	Number of CFS-certified smelters	-	39	45	43	39	40
	CFS as a % of identified smelters	%	98	96	90	95	100
Tin	Number of identified smelters	-	66	82	93	79	81
	Number of CFS-certified smelters	-	30	58	67	70	74
	CFS as a % of identified smelters	%	45	71	72	89	91
Tungsten	Number of identified smelters	-	33	43	52	46	43
	Number of CFS-certified smelters	-	12	30	39	40	40
	CFS as a % of identified smelters	%	36	70	75	87	93

Corporate Citizenship

- Corporate citizenship

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Corporate citizenship expenditures	Billion yen	0.37	0.40	0.61	0.61	0.82

* The monetary equivalent of donations and grants, as well as human, material, and other assistances

Governance

Corporate Governance

- Board of directors

		Unit	FY2014	FY2015	FY2016	FY2017	FY2018
Independent outside directors	Female	Persons	-	-	2	2	2
	Male	Persons	-	-	3	3	3
	S. Total	Persons	-	-	5	5	5
Inside directors	Female	Persons	-	-	0	0	0
	Male	Persons	-	-	7	6	7
	S. Total	Persons	-	-	7	6	7
Total	Female	Persons	-	-	2	2	2
	Male	Persons	-	-	10	9	10
	G. Total	Persons	-	-	12	11	12

* Data for the after transition from a company with an audit & supervisory board to a company with an audit & supervisory committee

Management Philosophy

Management Philosophy

Epson aspires to be an indispensable company,
trusted throughout the world for our commitment to openness,
customer satisfaction and sustainability.

We respect individuality while promoting teamwork,
and are committed to delivering unique value
through innovative and creative solutions.

EXCEED YOUR VISION

As Epson employees,
we always strive to exceed our own vision,
and to produce results that bring surprise and delight
to our customers.



Principles of Corporate Behavior

Issued September 2005

Revised April 2012

Revised October 2017

Epson will fulfil its social responsibility by aspiring to live up to the principles below based on “trust-based management,” a concept that underlies Epson’s Management Philosophy.

We seek to create value that surprises and delights our customers and helps to make the world a better place. At the same time, we aim to be an indispensable company, a company that maintains the trust of all stakeholders (including customers, shareholders, investors, communities, business partners, NGOs, NPOs, and employees) and that exists for the world’s benefit.

This signals our commitment as a company to observing these principles. It also serves as a declaration that all Epson personnel, including senior executives, managers, and employees, should be mindful of conducting themselves in line with these principles.

- Principle 1: Pursuing customer satisfaction

We think of our customers’ perspective at all times and continue to create trusted products and services that please our customers around the world.

- a) We will ensure that all products and services meet the required safety and environmental standards.
- b) We will listen to our customers, take all their expectations seriously, and give sincere consideration to their feedback.
- c) We will strive to deliver high value, quality products and services that meet or exceed the expectations of our customers.
- d) We will adhere to universal design standards that maximize product usability and give our customers something they will value and enjoy.
- e) We will consistently provide our customers with high customer value, socially beneficial, innovative, and affordable products and services through R&D and programs conducted from a customer perspective, such as improving manufacturing capabilities across the Epson Group.

- Principle 2: Preserving the natural environment

We integrate environmental considerations into our corporate activities and actively strive to meet high conservation standards when fulfilling our responsibilities as a good corporate citizen.

- a) Harmony with the environment is one of the highest priorities of the Epson Group’s management. When conducting business activities, we will keep future generations in mind, and consider how they might best be sustained.
- b) We will strive to minimize environmental impacts in an integrated manner across the entire life cycle of our products and services, from manufacturing to transport, use, and disposal.
- c) We will participate in environmental preservation and restoration projects as a member of society.
- d) We will promote environmental awareness and provide information to our employees to enhance their understanding of environmental issues.

- Principle 3: Fostering diverse values and teamwork

We strengthen teamwork by recognizing the value of a diverse workforce and creating synergies between individuals and our organization.

- a) We will instill in our employees, and practice, the ideals of our Management Philosophy.
- b) We will put Epson in the best position by hiring a diverse workforce and utilizing their unique skills effectively.
- c) We will respect the individuality of employees and maintain relationships between the company and employees based on trust.
- d) We will develop our employees by creating systems that allow individuals to utilize their skills effectively.
- e) We will create a culture in which employees take pride in their work, work with confidence and actively promote teamwork.

- Principle 4: Creating a safe, healthy, and fair work environment in which human rights are respected

We respect basic human rights and create a cheerful, safe, healthy, and fair work environment that is free of discrimination.

- a) We will not tolerate any violation of human rights.
- b) We will not engage child labor or forced labor.
- c) We will promptly take corrective action against undesirable behavior including any harassment, violence, devaluation of the individual or any behavior resulting in loss of trust.
- d) We will eliminate any forms of discrimination against gender, nationality, religion, race and disability.
- e) We will support employees by facilitating a proper work-life balance.
- f) We will adhere to and maintain the proper health and safety standards at all sites around the world.
- g) We will implement programs that support the mental and physical wellbeing of our employees.
- h) We will establish practices that create a fair and open work environment and build a corporate culture that values individuals' rights and that facilitates equal opportunities for all.

- Principle 5: Ensuring effective governance and compliance

We institute effective corporate governance and internal controls, and we observe laws, regulations, and other rules and maintain the highest ethics in all activities.

- a) We will establish and maintain an effective system which governs our corporate entities and internal controls to ensure that management is transparent, fair, agile, and decisive.
- b) We will implement systems of compliance to ensure that we observe and respect all applicable laws and regulations, internal rules, and business ethics.
- c) We will not tolerate any form of bribery, corruption, dishonest marketing, cartels, or insider trading. We will conduct all transactions in accordance with these principles, promoting fair and open competition in the marketplace.
- d) We will maintain a good, mutually cooperative relationship with governments and their administrative bodies.
- e) We will not involve ourselves in or have contact with any anti-social movement or group that promotes activities that are illegal or threatening to public order and safety.
- f) We will employ best practices in risk management to prevent risks from materializing and minimize impact in cases where they do materialize.

- Principle 6: Ensuring the security of people, assets, and information

We protect the safety and security of people and company assets, and we exercise strict care in the management of all information.

- a) We will establish and maintain systems to ensure the safety and security of Epson personnel, as well as visitors or contractors on our premises.
- b) We will carefully handle all group tangible and intangible assets (financial, intellectual, and those regarding infrastructure, brand, and proprietary information) and respect the assets of others.
- c) We will take reasonable and necessary precautions to protect the confidentiality of proprietary business information including the privacy of customers, employees and other stakeholders.
- d) We will only use our company assets (all forms stated above) for appropriate business purposes. Unauthorized use will not be tolerated.

- Principle 7: Working with business partners for mutual benefit

We seek to maintain mutually beneficial relationships with our suppliers, sales channels, collaborators, and other business partners, whom we ask to live up to the highest standards of ethical conduct while respecting their autonomy and independence.

- a) Acts of bribery and collusion with business partners are strictly forbidden. We will engage in sound business practices and demand that our business partners adhere to a zero-tolerance policy regarding illegal and unethical business practices.
- b) We will hold our business partners to the same strict standards that Epson upholds, with regard to compliance with laws and maintenance of human rights, suitable labor conditions, the environment, ethics, quality, and information security. Epson will support improvements to any of these areas as needed.
- c) We will develop and maintain open relationships with our business partners and work with them to increase the competitiveness of the entire supply chain, based on mutual trust and for our mutual benefit.

- Principle 8: Prospering with the Community

We actively contribute to the communities in which we operate, as well as the international community, facilitating mutually beneficial relationships.

- a) We will respect the cultures and traditions of the countries and regions in which we operate.
- b) We will engage in open dialogue with the local and international community. We will also actively engage in activities that promote our standing as a good corporate citizen.
- c) We will nurture a culture in which our employees are encouraged to participate in volunteer programs and other activities that facilitate good corporate citizenship. We will establish the systems needed to support such efforts.

- Principle 9: Initiating honest dialogue with our stakeholders

We maintain open lines of communication with our stakeholders, thoughtfully considering their views and suggestions.

- a) We will respect other cultures and traditions while striving to engage in principled, ethical communication.
- b) We will communicate openly and honestly with our stakeholders, and will establish appropriate systems for the disclosure of information.
- c) We will utilize appropriate and useful tools to communicate information to our stakeholders.
- d) We will provide opportunities and establish appropriate systems to engage in dialogue with stakeholders.
- e) We will utilize the opinions and suggestions of our stakeholders as a vital resource for corporate management.

Quality Policy

1. We will solve problems by directly observing all of our operations and processes.
2. We will quickly complete the Plan, Do, Check & Act (PDCA) cycle in all situations.
3. We will thoroughly analyze any failures, and establish procedures based on that analysis, so that mistakes are never repeated.
4. We will proactively consider our customers' satisfaction so they will genuinely prefer purchasing Epson products and feel confident using them.
5. We will seize the opportunity presented by customer comments and complaints to inform our decisions when designing new products.
6. We will readily report even negative information.
7. We will foster a climate in which attention is paid to even the most commonplace events.

Environmental Policy

1. Creating and providing earth-friendly products
2. Transforming all processes to reduce the burden on the environment
3. Recovering and recycling used products
4. Sharing of environmental information and contributing to regional and international preservation efforts
5. Continually improving the environmental management system

Human Resources Development Policy

Our basic approach is to support employees who have aspirations for self-actualization, to connect all the companies in the Seiko Epson Group with people, and to nurture employees so that both corporate and individual objectives are met. The following is our policy for human resources development.

1. The Company positions human resources as an indispensable resource and aims to integrate employee aspirations for high-level achievements with the highest interests of the Company.
2. HR development is a very important instrument for materializing the Management Philosophy and business plans. It is the key to forming a good management cycle.
3. Each level of employee therefore assumes the following roles.
 - (a) Executives, as drivers of HR development, must serve as role toward fulfillment of Company philosophies.
 - (b) Management-level personnel must practice OJT systematically and continuously with a clear objective for the training. Nurturing of employees must be done principally on an individual basis in a comprehensive manner through the setting of detailed objectives, evaluation of results and acceptance of individual experiences of success. At the same time, management-level personnel must prepare their successors.
 - (c) Employees should voluntarily pursue self-improvement.
 - (d) Departments in charge of education must promote HR development through off-the-job training, as well as OJT.

Established in 1996
Revised on October 1, 2006

Basic NESP Policy

Epson believes that providing and maintaining a safe and healthy work environment and promoting physical and mental wellness are the foundation of a healthy company. Accordingly, we have established a basic NESP policy and shall take strategic actions to enable personnel at all Epson sites around the world to work with vibrancy as a team in the knowledge that they are safe and secure.



NESP: New Epson Safety & Health Program

(NESP is a progressive program that Epson has developed based on general occupational safety and health management system principles and organizations.)

1. Involving all personnel (employees, contractors, and other partners), implement the PDCA cycle for NESP activities and drive continuous improvements.
2. Investigate potential hazards (via risk assessments, etc.), and thoroughly analyze the causes of industrial incidents and occupational injury accidents. Develop measures based on these to prevent future incidents and accidents.
3. Foster a vital organizational culture where work and health are in harmonious balance by preventing work-related health problems and supporting employees' own health monitoring and improvement efforts.
4. Periodically review the preparations you have in place for fires, earthquakes, floods, infectious diseases, and other natural disasters and the actions you have planned to save lives, prevent the spread of damage, and restore business operations. Conduct drills on an ongoing basis to verify preparation and action effectiveness, and implement further improvements.
5. Systematically train employees, and raise the level of safety and health awareness and management.
6. Observe occupational safety and health legal and regulatory requirements in your country and region, as well as internal regulations, standards, and policies.
7. Allocate appropriate management resources for safety and health programs, and continuously make effective improvements.

Established on April 1, 2001

Revised on June 1, 2014

The Policies Regarding Human Rights and Labor Standards

A. Human Rights

- (1) We will respect fundamental human rights. We will not tolerate any violation of human rights.
- (2) We will take steps to prevent and eliminate any harassment such as sexual harassment, abuse of power in the workplace.
- (3) We will respect individual privacy.

B. Discrimination

- (1) We will take steps to prevent and eliminate any discrimination on the basis of race, nationality, ethnic origin, creed, sex, gender, age, religion, disability and any other basis protected by the applicable law of any country or region in which we operate.
- (2) In respect of employment and occupation, we will not damage the equality of opportunity on the basis of any irrational reason that is not directly linked to legitimate business needs.
- (3) In any country or region in which we operate, we will respect their culture, custom and history identifying how these may vary, and behave in consideration of the differences.

C. Employment and Labor Condition

- (1) We will not engage child labor or forced labor. We will never take a child as a laborer who is under the legal employment age as defined in the local law of any country or region in which we operate.
- (2) We will secure the soundness of employment and labor, and we will comply with the local law of any country or region in which we operate.
- (3) We will not dismiss employees based on irrational reasons without a direct relationship to legitimate business needs.
- (4) We will maintain fine industrial relations.
- (5) We will observe the local laws, internal rules and policies regarding health and safety, and we will adhere to and maintain good working conditions and environment according to the proper health and safety standards.

Established on September 26, 2005

Basic Information Security Policy

Epson's Basic Information Security Policy, established based on the company's Management Philosophy and Principles of Corporate Behavior, describes our information security approach and requirements. Epson Group companies, their officers and their employees must recognize the importance of information security, exercise effective information security governance, and build information security into the corporate culture so that Epson continues to be a company that is trusted by its stakeholders.

(Established April 1, 2007)

It is therefore company policy to ensure that:

1. All information* used in business activities are recognized as important management assets, and information security activities are treated as a critical management concern.
* Including customer and other personal information; confidential information relating to sales and marketing, products, technology, production, and know-how, and suppliers; and information systems that store and use such information.
2. A standard information security policy is established for worldwide operations, information security responsibility and management systems are identified, and a management system capable of protecting and controlling information assets is built.
3. Information security risks confronted in business activities are appropriately assessed and managed, to justify the trust placed in the company by stakeholders and to keep business.
4. Continuous training and education are provided to Epson Group companies, their officers and their employees so that security consciousness is integrated into the corporate culture.
5. A compliance program is developed and implemented to ensure compliance with laws, agreements and regulations related to information security management.
6. The information security management system is reviewed, maintained and improved on a continuing basis by Epson management.

Basic Procurement Policy

1. We will build good partnerships with suppliers, based on mutual trust and principles of fairness, coexistence and co-prosperity.
2. Exercising high ethical standards and a social conscience, we will conduct our procurement activities in strict compliance with both the letter and spirit of laws and regulations, both national and international, in every region where we operate.
3. We will strive to reduce the environmental impacts of our procurement activities and will always seek stable and reasonable quality, price, and delivery from suppliers.